



**ARIZONA READY EDUCATION COUNCIL
K-20 EDUCATION FUNDING TASKFORCE
August 1, 2012 @ 7:30-9:30am
1700 W. Washington, 2nd Floor Conference Room
Phoenix, AZ 85007**

Meeting Notes

Members Present: Dr. Tom Anderes, Dr. Craig Barrett (telephonic), Susan Carlson, Tim Carter, Chuck Essigs, Jay Kaprosy, Dr. Michael Kearns, Alan Maguire, Jaime Molera, Stacey Morley, Colleen Niccum, and Doreen Zannis (telephonic).

Members Absent: Hugh Hallman, Kathy Player, and Onnie Shekerjian

Staff: Carissa Cyr, Dale Frost, and Rebecca Gau

1. Call to Order, Welcome & Introductions

Dr. Barrett called the meeting to order at 7:36 a.m., provided welcoming remarks and reviewed the purpose of this meeting to:

- Update on ABEC plan calculations
- Update on NGA Resource Allocation Policy Academy
- Continue discussion on recommendations for the Council

2. Update: ABEC Plan Calculations

Carissa Cyr updated the taskforce on the ABEC plan calculations:

- Staff has finished looking through the data provided by ABEC and has gathered all updated data necessary to proceed to the next step.
- Staff is currently building an updated model to answer the first research question (How would funding shift in the state if a simplified weighted student formula was used to allocate funds to schools?)
- Next time (September 6), staff will present impact data to address this policy question.

3. Update: NGA Resource Allocation Policy Academy

Dale Frost, and Tim Carter, provided an update on the policy academy. NGA tasked the Arizona team members, Tim Carter, Whitney Chapa, Sen. Rich Crandall, Dale Frost, and Stacey Morley, to look at Arizona's funding systems to determine where AZ can reallocate funds to push performance incentive. The team took NGA's discussion questions and presentations to form the Guiding principles;

1. Schools should drive improved student achievement and academic growth so that by 2020 more than 93% of Arizona students graduate from high school college and career ready
2. The state should structure its budget to most efficiently utilize its resources and to drive action at the local level that improves student achievement
3. The state should pass/repeal statutory and regulatory requirements that promote/discourage thoughtful activity at the local level that improves student achievement
4. Local flexibility with regulatory requirements and the use of funds should be based on local performance
5. The state should reform the facets of the school finance system that are most prone to fraud, waste, and abuse
6. That state should move toward a school finance system that is nimble, can easily be updated, and allows for innovation at the local level

4. Review & Discussion: Taskforce Recommendations

Task force members reviewed the previous recommendations and recommendations based off the NGA Policy Academy. Members decided to adopt bolder actions moving toward an output oriented system based on local control principles.

- **Recommendations Presented to Funding Task force**
 1. Create a workable outcome-based funding pilot program
 2. Create another pilot program to encourage districts to move principal and teacher compensation structures away from steps and lanes to one more closely aligned to performance, market demand, and workloads
 3. Request ADE to publish and disseminate productivity charts
 4. Request a study of ADE's federal administrative and indirect funds in order to better leverage those dollars
 5. Require school districts to clearly highlight their district grade in their bond election publicity pamphlets
 6. Prohibit AOIs from receiving funding during the summer months for a student who has generated a full ADM during the previous school year
 7. Separate the budgets for district-sponsored charter schools from their districts' budgets

All recommendations were discussed in detail by the Task force members and the members offered some sound suggestions on how to make the recommendations even better. Staff will take these suggestions and incorporate into the recommendations for further discussion at the next meeting of the Taskforce.

5. Taskforce Comments

Dr. Barrett reviewed next steps:

- Continued work on ABEC funding model
- Establish a Workgroup to refine recommendations
- 2012 Taskforce Meeting Schedule –
 - August 1
 - September 6
 - October 1
 - November 1
 - December 6

6. Call to the Public

There were no requests from the public to address the Taskforce.

7. Adjourn

With no further business before the Taskforce, Dr. Barrett adjourned the meeting at 9:24 a.m.